

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA,
Plaintiff
v.

MICHELLE L. DOMMEL,
Defendant

Civil Action No: 16-06560

MEMORANDUM OF LAW

Pursuant to the Order of Court dated March 13, 2017, Plaintiff is presenting this breakdown and explanation of the amounts requested in its judgment.

I. Amounts Requested in Judgment

The following is a breakdown of the amounts requested in Plaintiff's Complaint and in its request for judgment. The interest set forth in the Complaint was calculated through September 6, 2016. The interest stated below has been calculated through the date of default and motion for judgment filed on March 6, 2017. Thereafter, interest shall accrue from the date of judgment pursuant to 28 U.S.C. § 1961.

Principal Balance	\$179,098.21
Interest from 8/22/13 to 3/6/17 at 5.0%	
(\$24.53 per diem)	31,692.76
Interest Recapture	19,078.04
Late Charges	494.48
Fees Currently Assessed	15,032.72
Fees Required with Payoff Funds	<u>756.17</u>
 Total	 \$246,152.38

The amount of the principal balance, interest and late charges are readily understandable.

described in subparagraph (A) if without such assistance such applicants could not afford the dwelling or make payments on the indebtedness of the rental or cooperative housing.

Section 1490a(a)(1)(D) further provides, in relevant part:

... The Secretary shall provide for the recapture of all or a portion of such assistance rendered upon the disposition or nonoccupancy of the property by the borrower. ... [A]ny such assistance whenever rendered shall constitute a debt secured by the security instruments given by the borrower to the Secretary to the extent that the Secretary may provide for recapture of such assistance.

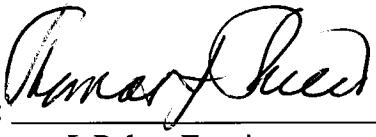
The total accrued subsidy constitutes the “interest recapture” that is seen throughout the loan and foreclosure documents. The borrowers are advised of this procedure when they apply for the loan, and when each borrower applies and accepts a USDA loan, they sign a “Subsidy Repayment Agreement” which explains, in detail, the above process. The amount of the “interest recapture” in this case, and the manner in which it was calculated is set forth in an statement of account.

IV. Fees Currently Assessed and Fees Required with Payoff Funds

The other fees included in the Plaintiff’s Motion for Default Judgment include the sum of \$15,032.72 which consists of negative escrow charges for real estate taxes and hazard insurances which have been assessed against the loan ("Fees Currently Assessed"). The fees required with payoff funds in the amount of \$756.17 represents the amount of interest charged on the assessed fees based upon the note rate (which in this case is 5.0%) from the date they have been incurred.

Plaintiff respectfully requests that this Honorable Court grant Plaintiff’s Motion for Default Judgment in the amount prayed for.

Respectfully submitted,

By: 

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CERTIFICATE OF SERVICE

I do hereby certify that service of the foregoing Memorandum of Law was made upon the following persons by mailing a true and correct copy thereof, postage prepaid, on this 30th day of March, 2017, addressed as follows:

MICHELLE L. DOMMEL
136 Penn Oak Drive
Bainbridge, PA 17502

MICHELLE L. DOMMEL
424 Nottingham Avenue
Lancaster, PA 17601

Respectfully submitted,

KML Law Group, P.C.

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